G. R. S. 581.

*Previous references.*

1924-5

G.I

File No. 21-24

Serial Nos. 1-5

*Later references.*

G.T. 51: 24 (1-4)

GENERAL AND REVENUE SECRETARIAT.

*Serial Nos.* 5

**Part B for** February 1925

SUBJECT

Exemptions of Palace from payment of renewal etc

No. 7F 4781 & 23.2.25. From the Private Secy: to His Highness The Maharaja

Rather and necessary instructions have been issued exempting Her Highness the Maharaja & the Maharaja Kumars from the operations of G.T. Rules —

G. R. S. III-2]

General and Revenue Secretariat.

~~P.F.~~ D.F. File No. 24 ~~38~~ of 1924

Serial No. 1

From

The Asst. Private Secy to H.H.
No 215 A 6/9/24.
Requesting that
Govt may be moved to
issue orders under Sec 60 of Income-tax Regulation
exempting the income derived
on investments and properties
of H.H the Maharaja from
payment of income-tax
2) Sd. with a copy of
the G.O. M 4-11-1912 re exemp
of Palace properties from
taxation under certain
rules and regulations in force. This
does not apply to
income-tax. There appears
to be no provision in
the Income Tax Regn
exempting the income
derived on investments
and properties of H.H.
the Maharaja from
payment of income-tax
2) Notification under
Sec 60 of the Regn is.

Z

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

File No. 21 of 1924

Serial No.

To issue from the Income-tax Section of the Finl Secy
2. 15/1 3) May this be forwarded to the
Ci 10/9 10/9 Income Section
Mw 10/9

Ch Secy)

4) Yes, for early action.
The orders proposed to be issued may
be sent to this Section for perusal
before issue
by
C/9
Mw 10/9

Mw 10/9

In (Section)

5) Subd. The Bangalore Chikballapur Ry. is taxed on its profits as a whole The ~~Income Tax is recovered~~ person responsible for paying up the dividends is given statutory authority to deduct income tax at the maximum rate in advance. The Share holders therefore get only the dividend declared minus income tax paid. As the Company pays income tax on its entire profits, it seems not possible to notify exemption as suggested. On the other hand, the I.T. officer concerned may be

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | 97 File No. 4 of 1921

Serial No.

instructed to grant refunds on receipt intimation from the Palace. Draft Subd. for orders.

WW 15/9. 6) Rev Secy

7) I Member

mad 15/9 Rev 16/9 16/9 mad 16/9

452 17.9

8) Instead of receiving this Income tax in respect of shares held by the in companies & then refunding it, why shd we not let dividends on shares held by the be declared & be exempt from taxation — so that no deduction may be made when from at source? Is there any legal or practical difficulty in this way & what such a course.

Sd 1/Dec

Re 31/12 mad

9) Subd. The Railway Co. is taxed on its profits as a whole with reference to the Profit & loss Statement for the year. It will therefore be inconvenient to declare that the income from the Shares held by the Palace in the Company should not be

NOTE—Contn. sheet.

General and Revenue Secretariat.

JT File No. 71 of 1924.

Serial No.

a copy of the draft order regarded to them [illegible] on receipt of the copy. In the [illegible] may be consulted for further action.

24/10 24.10

for perusal before issue

Copy 28/10

17 28/10

Some alterations

29/10/24

2 To.

Mr E.P. Rajagopalachari

no. JL 2299 dt 29.10.24

Forwards for remarks a draft order proposed to be issued stating that the income derived from investments of properties of H.H. the Maharaja is exempt from payment of tax leviable under the I.T. Act & states that a refund of the tax recovered on the dividends may be claimed by the Palace on the strength of the said order.

NOTE—Contn. sheet.

G.R.S. III—3]

## Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

THE PALACE,
MYSORE.

24th October 1924.

D.O. 361

Dear Mr Matthan,

May I invite reference to my D.O. letter No.215 dated the 6th September 1924 regarding the exemption of Palace from payment of income-tax etc., and request you to kindly let me know the stage at which the question stands now.

Yours sincerely,

J P Rajagopalachari

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

## Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Communication is received from the Palace.

GS by Rev Sm 7/1/25

mail 7/1/25

N.B —Should routine notes be written on small slip the notes must be copied, or slips pasted o this form.

General and Revenue Secretariat. | IT File No. 4 of 1926

3 Serial No.

From Mr S. P. Rajagopalachari, Asst. Private Secy to H.H. the Maharaja

No. DO 620 S. 6-1-25

States that the Govt. order proposed to be issued seems all right and adds that it is presumed that separate action will be taken to exempt the income derived on investment of properties of H.H. the Yuvaraja & the Maharajakumari from payment of income-tax.

2) Subd. with a revised draft (including the names of H.H. the yuvaraja & the Maharajakumari)

7/1 25) Rev Secy

Pl. put up the order exempting the Maharaja Kumari from Income Taxes

26) Subd. The exemption from other Taxes is only in regard to H.H. the Maharaja & H.H. the yuvaraja.

27) H.H. the Yuvaraja and the Maharaja kumaris have been exempted from the operation of the I.T. Rules (Vide CB 178-20-1)

28) Subd. with two drafts for orders.

15/1 29) orders have already been issued as regards the income of H.H. The Yuvaraja & the Sisters of His Highness. The order now put up as regards His Highness's investments & properties is for approval

16/1/25

Rev Secy

NOTE—Contn. Sheet

Serial No.

30) The P.S.H may be informed as to what has been done in regard to the estate of the Maharaja and the Maharaja Kumar. It is for consideration whether it would not be better to advise the G.T Govt. by direct instead of issuing a formal G.O. - which merely states the fact that the King cannot be located

19/1

395/19.1

31) I agree with the Secy

A Draft as suggested by him

19/1

32)

20/1

B

33) Draft Sirkar.

Rev Secy 34)

24/25 KE

23/1

554/22.1.25

35)

Draft as approved

25/2

26 Jan 25

NOTE—Contn, Sheet

Serial No.

taxed. A draft order directing the refund was therefore proposed.

10 As the Sovereign is exempt from taxation, it seems unnecessary to notify the same.

KV 3/10. Rev Secy) 11

mad 30/10/24

12 It is difficult to particularise the treatment of a particular group of shares which may subsequently

Rev. Co

11 (Rev)

202/7.10

~~The Secretary~~

13 This may be seen and returned for issue of the opinion as in draft or for approval

Rev 11/10

Rev 13/10

L.R. Secy)

14 The draft order submitted for approval may perhaps be approved as

Revised with (compliments).

8d 16/10.

8 18.10

2nd member)

379/21.10

15 The draft letter mad 20/10

NOTE—Contn. sheet.

Serial No.

DO Ft 4780 dt 23.2.25 to the I.T Commr - ~~Asst: Private Secy~~ 4

stating that the income derived from investments and properties of H.H. The Maharaja is exempt from payment of the Tax under the I.T. Regulation & requests him to take necessary action in the matter —

DO. Ft 4781 dt 28.2.25 To the Asst: Private Secy to H.H. the Maharaja stating that instructions have been issued exempting H.H. The Uvaraja & the Maharaja Kumaris from the operation of the I.T. Regn. 5

Gm 1220 D. 1013

The Palace,

Mysore 6th September 24

P.P 38-24-1

W.D. 215

Dear Mr Matthan,

I write to inform you that a sum of Rs. 25,000/- has been invested in the shares of "Bangalore-Chikkaballapur Light Railway Company, Limited" from the Palace funds. The guaranteed interest at 4% was till now paid by the Company without any deduction towards income-tax etc. But while sending the interest for 1923-1924 a sum of Rs. 62-8-0 ( @ one anna per rupee) has been deducted towards the Income-tax paid to Mysore Government on the Company's profit. As His Highness is exempt from all kinds of taxation (water, light, Municipal toll and stamp etc), I am desired to request you to move Government to issue orders under-section 60 of Income-tax Regulation or otherwise, exempting the income derived on investments and properties of His Highness the Maharaja of Mysore from payment of - income-tax.

Yours sincerely,

Fair draft

I.T. 21-24-2

Dear Mr. Rajagopalachari,

With reference to your D.O. letter No. 215 dated the 6th September 1924, I am desired to enclose herewith a draft order which is proposed to be issued stating that the income derived from investments and properties of His Highness the Maharaja is exempt from payment of tax leviable under the Income-tax Regulation.

With regard to the shares held by His Highness in the Bangalore-Chikballapur Light Railway Company as well as other companies in respect of which the dividends are taxed at the source, it is suggested that in view of the practical difficulties in the way of giving effect to the exemption of such dividends at the source, a refund of the tax paid by the Companies on such dividends may be claimed by the Palace and obtained from the Income-tax Commissioner on the strength of the order now proposed to be issued. I am to request to be informed if you have any objection to the adoption of this course.

Yours sincerely,

(Revenue Secretary)

Proceedings of the Govt. of H.H.
the Maharaja of Mysore.

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Read :-

Government order No. 3274-93/Ml. 192-12-1 dated 4th November 1912 consolidating the several orders issued from time to time in the matter of - the exemption of His Highness the - Maharaja from payment of taxation and other dues under certain Regulations and rules in force in Mysore.

Draft
Per Secy to Govt,
Rev. Deptt

Order No.

Dated Bangalore

The income derived on investments and properties of His Highness the - Maharaja is also exempt from payment of the tax leviable under the Mysore Income Tax Regulation.

KW.

Secretary to Government,
Revenue Department.

To
The Huzur Secretary to H.H. the Maharaja of Mysore.
The Commissioner of Income Tax in Mysore
The Deputy Commissioners of Income Tax
The Deputy Commissioners of Districts.
Copy to Chief Secretariat.

MK.

D. 620
6

The Palace,
Mysore.
5th January 1925.

Dear Mr Anantaraman,

In reply to your D.O.letter No. 2299 dated the 29th October 1924, I am desired to state that the draft Government Order in the matter of exemptin the income derived on investments and properties of His Highness the Maharaja from payment of income-tax under Mysore Incometax Regulation seems all - right and there is no objection to follow the procedure suggested in para 2 of the letter for claiming refund of the tax paid on the above at the - source.

In this connection, I am to add that it is presumed that separate action will be taken to exempt the income derived on investments and properties of H.H.the Yuvaraja and the Maharajakumari from payment of incometax.

Yours sincerely,

2 dmpts

G. R. S. VI - G-32]

B50—WD 0527

SUBJECT

Diary No of letter replied to

Section 9T

File No. 21·24

Serial No. 4

General and Revenue Secretariat

( )

, the , 192 .

No. 9 C H 4780

Date of issue 23:2:25

To The Comm^r of Income Tax in Mysore

Signed by M.K.N. Anantaraman

Dear Sir,

I am desired to state that the income derived on investments & properties of H.H. the Maharaja is exempt from payment of the tax leviable under the Mysore I.T. Reg^n and to request you to be so good as to take the necessary action in the matter.

Yours Sincerely

Vs.

24/25

Copy of the above is forwarded to Mr. S.P. Rajagopalachari for information.

By order,

Secy to Govt Rev. Dept

over

2 drafts

G. R. S. VI–G-32] B50—WD 0527

SUBJECT .....

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*Diary No. of letter replied to* .....

Section DT

File No. U·24

Serial No. 5

No. D-C 22 4781 Encl

General and Revenue Secretariat

( )

*, the* *192* .

Date of issue 23·2·25

Signed for Y. V. Ananda Rao

To .....

.....

Dear Sir,

With reference to the correspondence ending with your D.O. letter no. 620 dt 6th Jany 1925 I am desired to say that instructions have already been issued, as required in your office D.O. letter no. 115 dt 28.11.20, to the Commr of Income Tax to exempt H.H. the Yuvaraja & the Maharaja Kumaris from the operation of the I.T. Rules and ~~therefore no further action is~~ ~~must needed~~.

As regards the exemption in the case of H.H. the Maharaja

over

The I.T. Commr has been demi-
officially advised as no formal
Govt. order is deemed necessary.
A copy of the letter addressed to the Commr is herewith enclosed for
your information.

Yours Sincerely

Re 23-11

S. P. Rajagopalachari Esq BA BL